### **Promoting and Protecting Opportunity**

### **DOL News Brief**

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### WINNER OF 2014 AVA DIGITAL GOLD AWARD

### How'd That Get There?



Most Metro train commuters to the department's headquarters in Washington, D.C., spend a moment each morning in the presence of a puzzling pale blue sculpture located near one of the

building's entrances. As part of a daily routine, it's easy to overlook the sculpture's important place in American art and architecture. The sculpture is the work of Tony Smith, one of the central figures of America's post-War "minimalist" movement, who along with artists like Donald Judd and Frank Stella — radically reimagined how space and materials are used in art. The 1975 sculpture's odd title, She Who Must Be Obeyed, comes from the title of an 1887 adventure novel by Henry Rider Haggard, although Smith (and department officials) always referred to it simply as She. The work is just as much a feat of engineering as aesthetics, as the original location of She - on top of the highway that runs beneath the building - required careful structural considerations. It is in that sense, perhaps, that the piece most readily "pays tribute to the strength and stability of American workers," as General Services Administration Commissioner

Nicholas A. Panunzio said at its unveiling. The observation that the piece is "at first glance geometric and easily understood," but "change[s] in quite anticipated and startling ways when viewed from different



perspectives" might also speak to its reflections on the character of the American workforce. Smith did not make any profit from the commission of the piece, making it a gift to the American people and saying, "I felt very honored to do something in the national capital."

- Learn More About the Sculpture
- View the Centennial Timeline
- View the Centennial Video

### What's New

\$150M Grant Opportunity Announced During Upstate New York Tour

During a sweep through Upstate New York, U.S. Secretary of Labor Thomas E. Perez met with leaders in the business, education and workforce communities who are developing innovative programs to increase employment opportunities in the high-tech industry. His first stop on Feb. 19 was Nano Utica, a



hub for nanotechnology research and development that was launched through a \$1.5 billion investment by six leading technology companies. The public-private partnership will be spearheaded by the SUNY Institute of Technology and College of Nanoscale Science and Engineering, and is expected to create 1,500 high-tech jobs and innovative workforce training opportunities. Perez then traveled to Pulaski to tour Fulton Companies, a global manufacturer of industrial and commercial heating systems. Thanks in part to federal funding through the Advanced Manufacturing Jobs and Innovation Accelerator Challenge, Fulton has developed strong training partnerships with regional educators and companies. Calling it an example of the strength in the manufacturing industry, Perez said, "We see a bright future at Fulton and other companies for people who want to work with their hands." He then announced a new \$150 million Ready to Work Partnership grant competition, part of President Obama's call to action to help the longterm unemployed. The funds will be used to provide work-based training to facilitate hiring for jobs where companies use foreign workers on H-1B visas. Perez capped off his trip at Syracuse University, where he met with leaders from the Institute for Veterans and Military Families and the Burton Blatt Institute to discuss skills training for veterans and persons with disabilities. He then toured the Syracuse Center of Excellence in Environmental and Energy Systems and participated in a roundtable discussion with business leaders, workforce development professionals and academics to learn more about their workforce training and alignment needs, and the important role public-private partnerships play in meeting those needs.

- Read the Grant Competition Announcement
- Learn About Ready to Work Partnerships
- View the Slideshow

Urging Higher Wages for Workers Who Count on Tips

One out of every seven workers living on a tipped wage is on food stamps, Secretary Perez

# (Work in Progress) The Best of Our Blog

Each week, this space will bring you the best from our (Work in Progress) blog.

- <u>Faith Matters</u>: After a roundtable discussion with religious leaders, Secretary Perez writes about the importance of the voice of the faith community in efforts to raise the minimum wage.
- <u>Civil Rights in America: We Rise Together:</u>
  Assistant Secretary for Disability Employment
  Policy Kathy Martinez writes about her admiration
  for Barbara Jordan in observation of this year's
  Black History Month theme, "Civil Rights in
  America."
- Your Financial Future Begins Today Deal With It!: Ahead of "America Saves Week,"
   Assistant Secretary of Labor for Employee Benefits Security Phyllis C. Borzi has some advice for younger workers about how to get on the right path to a sound financial future.



### Black History Is Labor History

February is Black History Month, and the department's *Books that Shaped Work in America* project has several great suggestions that show the important and often overlooked contributions African Americans have made to labor history and American history. Included on the list is "Narrative of the Life of Frederick Douglass: An American Slave, Written by Himself." This remarkable, 11-chapter memoir is rich in fact, grippingly personal and significantly fueled the U.S. abolitionist movement in the early 19th century.

- Read the Blog Post
- Books that Shaped Work in America

#### 'Incubators of Innovation'



At a meeting of the National Association of State Workforce Agencies, Secretary Perez praised them as "incubators of innovation" and saluted

state officials for often doing more with less during challenging economic times. Perez's remarks came in an address to the association's Winter Policy Forum in Washington, D.C., on Feb. 20. The efforts underway in states, he explained, are critical to realizing President Obama's vision of opportunity for all. Perez also spoke about the new review of skills programs being led by Vice President Biden and the philosophy of job-driven



noted during a trip to Ohio on Feb. 18. The secretary, U.S. Sen. Sherrod Brown and Rep. Joyce Beatty toured and met with employees at Brothers Drake Meadery in Columbus to discuss a minimum wage

increase for tipped workers. Under current federal law, tipped workers earn \$2.13 an hour, a wage that has been frozen for more than two decades. Eric Allen, part owner of Brothers Drake, pays his employees a tipped wage almost double the federal requirement. Raised by a single mother who worked two minimum wage jobs, Allen said he understands the importance of raising the wage. More than 1 million Ohioans and 28 million workers nationwide would benefit from a \$10.10 hourly wage. According to Brown, an increase won't impact just teenagers. "People making a minimum wage are often in their 20s, 30s, 40s and 50s and are supporting their children," he said. Perez continued the conversation on minimum wage in a Twitter chat, which prompted tweets from hundreds of followers.

- Read the Secretary's Remarks
- View the #AskTheSec Tweets
- View the Slideshow

Raise the Minimum Wage and 'We Will All Be Better'

More than a dozen leaders from the faith community joined Secretary Perez at the Labor Department on Feb. 14 to discuss the need to increase the minimum wage. Perez also has met with workers about raising the minimum wage and with small business owners who believe that more money in the



pockets of workers means more money spent in the economy. The most recent meeting provided an opportunity to hear from representatives of the Christian, Jewish and Muslim faiths. "My faith has informed my values on this issue and so many others," Perez told the participants. "Growing up in a religious home and receiving a Catholic education, I learned from an early age that we must do everything possible to embrace and empower the least among us." Sister Simone Campbell, executive director of the group NETWORK, and one of the famous "Nuns on the Bus," attended the meeting. She said raising the minimum wage is "a justice issue for everyone in the nation." She added that the entire country is suffering, given that a full-time worker earning the minimum wage will end up living in poverty. "We will all be better," she said, if low-wage workers "receive a greater share of the nation's income."

- Read the Secretary's Blog Post
- Read Sister Simone Campbell's Blog Post
- View the Slideshow

### National News

Applications Being Accepted for \$73 Million in YouthBuild Grants

Grant applications are now being accepted for the 2014 YouthBuild program. The department expects to award approximately \$73 million to develop programs that help disaffected youth complete high school or the

training that will guide it. The operating principle, Perez said, is that "every person who gets trained is being trained for a job we know exists."

• View the Slideshow

### Support for Wage Increase

Workers and small business owners weighed in on raising the minimum wage when they met with Wage and Hour Division Principal



Deputy Administrator Laura Fortman in Maine on Feb. 17. At Longfellow Books in Portland, coowner Chris Bowe, who already pays his employees above the current minimum wage, expressed his support for an increase. "It's a nobrainer," he said. "The people who would get that raise would spend that money, too. It's not like they are going to hide it in escrow or stocks. They will use it to buy sneakers or clothes for their kids, and morally it is the right thing to do." According to Fortman, increasing the minimum wage is "growing the economy from the middle out." She also noted that studies show higher wages from minimum wage increases can result in reduced turnover and training costs. "People work hard, and need to be paid fairly," said Fortman. "And businesses like Chris's see the value in that and the return in that. By investing in your employees, you are investing in your business."

### Focusing on Chemical Safety



Baton Rouge, La., played host to a working group Feb. 19 for the 13th listening session on implementing Executive Order 13650, which

was issued to bolster chemical safety and security in the United States. Jordan Barab, deputy assistant secretary of labor for occupational safety and health, heard from 25 stakeholders, including industry and advocacy groups, during the session, with an additional 15 participating via teleconference. The working group is co-chaired by the departments of Labor and Homeland Security; Bureau of Alcohol, Tobacco, Firearms and Explosives, and the Environmental Protection Agency. The next listening session will be held on Feb. 27 in Newark, N.J. The executive order was issued last August following the deadly April 2013 ammonium nitrate explosion in West, Texas.

• Read the Executive Order

### Wage and Hour's New Graduates

The Wage and Hour Division recently held a Basic I Training for new investigators in Virginia Beach, Va. Basic I equivalent while obtaining industry-recognized credentials in high growth industries such as construction, health care and information technology. With this funding, the department expects to serve nearly 5,000 young people in this cycle. Participants in the YouthBuild program are between the ages of 16 and 24 and often are those who have been in the juvenile justice system, are aging out of foster care, dropped out of high school or are at risk of failing to reach key educational milestones. The grant application period is open until April 22, 2014.

- Read the News Release
- Learn About YouthBuild Participants

\$30 Million in Grants to Help Formerly Incarcerated Gain Job Skills

"We are a nation that believes in second chances," Secretary Perez said in an announcement of the department's new \$30 million Training to Work grant competition. The funding will help men and women participating in a prison work-release program gain the necessary job skills to successfully transition to in-demand jobs when returning to their communities. The department expects to award approximately 15 grants of up to \$2 million each. Programs awarded grants will serve communities with high crime and high poverty, as well as those experiencing high rates of recidivism. An additional consideration will be service in areas designated as "Promise Zones" by the Department of Housing and Urban Development. The grant application period is open until April 18, 2014.

• Read the News Release

Affordable Care Act Rule — Health Coverage Waiting Periods

The departments of Labor, Health and Human Services and Treasury announced a final rule on Feb. 20 that limits waiting periods for health coverage. The final regulations require that no group health plan or group health insurance issuer impose a waiting period that exceeds 90 days after an employee is otherwise eligible for coverage. The three federal agencies also issued a companion proposed rule that would limit the maximum duration of an otherwise permissible orientation period to one month. The proposal will be open for public comment.

Read the News Release

### Take Three: Ready to Work Partnership

While touring Fulton Companies in Pulaski, N.Y., this week, Secretary Perez announced the availability of approximately \$150 million in new grant funds to help Americans experiencing long-term unemployment receive the occupational skill and employment services necessary for middle- and high-skill jobs. Eric Seleznow, acting assistant secretary for employment and training, answered three questions on what it's all about.

What's the goal of the *Ready to Work* grants? The economy has been growing steadily over the past several years but there's still much more to do to ensure that those looking for work — especially those who have been unemployed for six months or longer — are able to find a good job. The Ready to Work Partnership grants will help develop and scale up innovative partnerships between employers, nonprofit organizations and America's public workforce system that will help those experiencing long-term unemployment gain access to job training services that will lead to good jobs that employers say they need filled.

How will the long-term unemployed get training? *Employment-based training is one of the best ways to link the unemployed to a good job.*The programs funded through Ready to Work Partnership grants will use on-the-job training, paid work experience, paid internships and Registered Apprenticeships as the means to train workers in the specific skill sets



Training is a nationally standardized, three-

week classroom training experience designed to educate new investigators about enforcement responsibilities and agency procedures. This initial training focused primarily on the statutory and regulatory provisions of the Fair Labor Standards Act, as well as the investigative techniques used to enforce the provisions. Among the 59 trainees from across the country, more than two-thirds have a military background, five have previous Peace Corps experience and collectively they speak eight different languages.

• View the Slideshow

### Ending Sweatshops via Education



The East Los Angeles Community College soon will offer a new non-credit course for garment contractors and those interested in the garment bidding

process. The course aims to form a group of certified contractors committed to complying with federal and state laws. "Along with our continued enforcement efforts, this course can and should be an industry model and make a significant dent toward eliminating once and for all the degree of sweatshop conditions and labor violations that for far too long we have witnessed in this industry," said Paul Chang, assistant district director of the Wage and Hour Division in West Covina. In the last seven years, the division's district offices in Los Angeles, San Diego/Orange and West Covina have conducted more than 1,500 investigations of garment employers and recovered more than \$11 million in wages owed to 11,000 workers.

- Learn About Garment Industry Resources
- View the Slideshow

#### Partnering for Workers

The Wage and Hour Division's Southwest Region signed a partnership agreement with the Mexican Consulate on Feb. 19 to provide Mexican



nationals in Texas and New Mexico with information, guidance and access to education and training resources. The partnership will help workers to understand their workplace rights, particularly with regard to reducing violations of the minimum wage, overtime, record keeping, child labor, safe housing and transportation provisions of the laws and regulations, regardless of the worker's immigration status. Betty Campbell, deputy regional administrator for Wage

employers say they need. Grant-funded programs will have to recruit those who have been out of work for six months or longer, assessing their knowledge and skills sets, so that the program can create a customized set of services to facilitate re-employment. A key requirement for each successful grant application is the participation of at least three employers or a regional industry association actively engaged in the project.

How are the grants being funded? The grants are financed by a user fee paid by employers to bring foreign workers into the United States under the H-1B nonimmigrant visa program. The department is using these fees to build up the capacity to train Americans and help employers build the skilled local workforce they need to grow and expand.

- Learn About Ready to Work
- Learn About Registered Apprenticeships
- Learn About the H-1B visa program

### DOL Working for You

Employment Advice, Revamped Resume Gets Veteran Going

Nadine Wicklander had ice water in her veins when she cleaned and tested underwater mines while serving in the Navy. But she admits she "got tongue tied" in job interviews and her resume needed updating. That is where Local Veteran's Employer Representative Adrian Morado of California's Employment Development Department came to her rescue. Morado crafted Wicklander's resume to match her military skills to civilian-friendly occupations. He helped her find job





openings through social media and coached her on delivering an effective 30-second "elevator speech." Morado, also a Navy veteran, said he works hard to "pay forward" the employment help he feels all veterans deserve for serving their country. Within two months of receiving assistance, Wicklander accepted a job with a large retail company. Shortly thereafter, Wicklander's revamped resume came to the attention of a large bottling company that offered her training to

become a supervisor, and she accepted.

Routine Inspection Turns Into Lifesaving Venture

A standard Occupational Safety and Health Administration inspection turned into a day of action that potentially prevented dozens of employees from illness and perhaps even death. Cleveland-based OSHA inspectors Janelle Madzia and Adam Fries were conducting an inspection at the Metal and Wire Co. Inc. in Salem, Ohio. When they entered one of the company's manufacturing buildings, Madzia, an industrial hygienist, immediately realized there was a problem. Her carbon



monoxide monitor showed levels of 150-170 parts per million, when the permissible exposure limit is 50 ppm. Madzia and Fries asked company

and Hour's Southwest Region, and Consul General Jacob Prado Gonzalez of the El Paso Mexican Consulate, signed the agreement.

### Chinese Community Outreach



The Boston District Office of the Wage and Hour Division reached out to the Chinese community in eastern Massachusetts on Feb. 16. Community

Outreach and Resource Planning Specialist Patricia Colossi attended the Chinese Lunar New Year event in Quincy, Mass., staffing an information booth and presenting information in Chinese to many of the 2,000 persons attending the event. The Massachusetts Asian American Commission sponsored the event. The Asian American Commission invited federal and state agencies, including Wage and Hour, the Equal Employment Opportunity Commission and the Massachusetts Attorney General's office, to participate.

### Weekly UI Claims

The department reported that the advance figure for seasonally adjusted initial Unemployment Insurance claims was 336,000 for the week ending Feb. 15, a decrease of 3,000 from the previous week. The four-week moving average was 338,500, up 1,750 from the previous week's unrevised average.

• Read the News Release

### **Upcoming Deadlines & Events**

Open Funding Opportunities

OFCCP — AAP: Creating an Inclusive Workforce

• March 12 — Houston, TX

OFCCP — Affirmative Action Program Development for Small or First-Time Supply and Service Contractors

- February 27 Baltimore, MD
- March 20 Baltimore, MD

OFCCP — "Common Problem Areas" Compliance Assistance Session for S&S Contractors

• March 27 — Richmond, VA

OFCCP — Compliance Assistance Session for Construction Contractors and Subcontractors

- February 27 Richmond, VA
- March 6 Omaha, NE

OFCCP — Construction Compliance Evaluations in 16 Steps

managers to open up all the doors to ventilate the facility and requested that the facilities manager call the gas company to look at the furnace. Fortunately, the 65 employees were out of the area on a lunch break. The gas company identified a serious natural gas leak in the furnace and ordered the facility evacuated until the leak was fixed. "If the leak had persisted, there could have been employees exposed to high levels of carbon monoxide and even the possibility of a fire or explosion," said Madzia. "It is good to know that the work we do makes a difference," said Fries.

### DOL in Action

Philadelphia Sports Bar to Pay \$6.8 Million in Back Wages

Following one of the department's largest tipped employee investigations in recent years, Philadelphia sports bar and restaurant chain Chickie's & Pete's has agreed to pay current and former employees more than \$6.8 million in back wages and damages for improperly taking tips from servers and violating federal minimum wage, overtime and record-keeping requirements. The company and its owner, Peter Ciarrocchi, Jr., will pay \$6,842,412 to 1,159 employees at nine of the company's locations, plus a \$50,000 civil money penalty. "The egregious actions by Chickie's & Pete's harmed real people and violated the promise that a fair day's work deserves a fair day's pay," said Secretary Perez. "Restaurant servers are among the lowest paid workers in this country, with many earning incomes below the poverty line. Tipped workers deserve better, and this action shows that the Department of Labor is ready to stand up for them."

• Read the News Release

Drywall Installer to Pay \$550,000 in Back Wages

Drywall installer Summit Drywall Inc., and its owner Thomas Kauzlarich, have agreed to pay \$550,000 in overtime back wages and liquidated damages to 384 current and former employees in Washington State following a Department of Labor investigation and lawsuit. Investigators found the company violated the Fair Labor Standards Act's overtime and record-keeping provisions from Oct. 15, 2009, through April 15, 2013. "In this region, long hours and low wages are prevalent in the drywall industry," said Janet Herold, the department's regional solicitor in San Francisco. "This consent decree sends the unambiguous message that the department will not permit the underpayment of workers' wages in piece-rate schemes, such as those at issue here."

• Read the News Release

Alabama Lumber Company Facing Penalties

Dudley Lumber Co. Inc. of Salem, Ala., has been cited by the Occupational Safety and Health Administration for 21 serious and five other-than-serious safety and health violations following an August 2013 inspection at the company's sawmill facility. The violations included the company's failure to provide workers with locks to prevent equipment startup while they worked in and around machinery. The employer also exposed workers to amputation and struck-by hazards from unguarded equipment. The proposed penalties total \$106,650.

• Read the News Release

Repeat Safety Violations Cited at Pepsi-Cola Bottling Plant in Ohio

The Occupational Safety and Health Administration has cited G&J Pepsi-Cola Bottlers Inc. for seven workplace health and safety violations, carrying proposed penalties of \$86,900. OSHA initiated an inspection of the Franklin Furnace, Ohio, bottling plant last July under its Site-Specific Targeting Program, which targets facilities with higher-than-average illness and injury

- February 25 Atlanta, GA
- March 18 Birmingham, AL
- March 18 Jackson, MS
- March 25 Atlanta, GA

OFCCP — Essential Elements of The AAP Part II

• February 25 — Webinar

OFCCP — Scheduling and AAP Requirements

• February 21 — Houston, TX

OFCCP — Understanding the Nuts and Bolts of Construction

• March 12 — Houston, TX

OFCCP — What to Expect During an OFCCP Audit

- March 12 Chicago, IL
- March 18 Atlanta, GA

OLMS — Compliance Assistance Seminar

- February 26 Springfield, IL
- February 26 Pittsburgh, PA
- February 27 Pittsburgh, PA
- March 25 Hurst, TX

EBSA — Take Charge of Your Financial Future Webcast

• February 28 — Washington, DC

WHD — Prevailing Wage Seminar

- March 4 Manchester, NH
- March 5 Manchester, NH
- March 6 Manchester, NH
- March 18 Phoenix, AZ
- March 19 Phoenix, AZ
- March 20 Phoenix, AZ

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rates. Two repeat safety violations involved failure to ensure that employees used appropriate personal protective equipment when working with electrical sources and implement lockout/tagout procedures to prevent the unintentional startup of equipment during maintenance and servicing, when employees are most at risk.

• Read the News Release

Inadequate Training Found at Ohio Printing Company

Globus Printing & Packaging Co. Inc. has been issued 24 safety and health violations by the Occupational Safety and Health Administration. Proposed penalties total \$91,800. OSHA initiated an inspection of the Minster, Ohiobased manufacturing plant last August after receiving a complaint. Thirteen serious safety violations were found for issues such as lack of training in hazard communication and safe chemical handling, as well as failure to provide personal protective equipment for employees doing electrical work, remove damaged forklifts from service, and maintain an environment free of combustible dust.

• Read the News Release

Back Wages for McDonald's Workers in Pennsylvania

Former McDonald's franchisee Cheung Enterprises LLC and president Andrew Cheung of Middletown, Pa., have agreed to pay \$205,977 in back wages and liquidated damages to 291 employees. They include 178 foreign student workers hired under the State Department's J-1 visa program. An investigation by the Wage and Hour Division found the company violated the minimum wage and overtime provisions of the Fair Labor Standards Act at the company's six locations across central Pennsylvania. Investigators determined the company made improper deductions from employee paychecks, including charging student workers excessive rent for substandard, employer-owned housing.

• Read the News Release

Georgia Lumber Manufacturer Faulted for Hazardous Conditions

Dupont Yard Inc., a forest products manufacturer, has been cited for 22 safety and health violations by the Occupational Safety and Health Administration. The citations followed a complaint regarding hazardous working conditions at the company's manufacturing facility in Homerville, Ga. Three willful, two repeat and 17 serious violations included exposing workers to caught-in and crushing hazards from unguarded rotating chains and sprocket wheels, as well as electrical hazards. The company has been placed in OSHA's Severe Violator Enforcement Program, which mandates targeted follow-up inspections to ensure compliance with the law. Proposed penalties total \$279,400.

• Read the News Release

Missouri Roofing Workers Repeatedly Exposed to Fall Hazards

The Occupational Safety and Health Administration has cited Andres Roofing Co. Inc. for four repeat safety violations with proposed penalties of \$52,800. The employer repeatedly exposed workers to fall hazards at a residential construction site in Kirkwood, Mo. Since 2010, the Missouri company has been cited in four inspections for similar violations. Workers at the Kirkwood site were installing new roof shingles on a pitch roof almost 22 feet high without any type of fall protection, directly violating OSHA construction safety standards. The company also failed to provide eye and face protection for workers operating power tools.

• Read the News Release

Recurring Hazards Lead to Fines for Connecticut Manufacturer

Artbeats Inc., which manufactures reproductions of prints and paintings,

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faces \$56,430 in proposed fines following an inspection of its Cheshire, Conn., manufacturing facility by the Occupational Safety and Health Administration. Inspectors found several hazards similar to those cited in June 2010 at the company's Waterbury facility. These included failure to ensure workers were trained in lockout/tagout procedures, lack of a chemical hazard communication training and use of unapproved electrical equipment in areas where combustible wood dust is generated and accumulates.

• Read the News Release

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